

COUNTY OF PLACER
DEPARTMENT OF HEALTH AND HUMAN SERVICES
ENVIRONMENTAL HEALTH DIVISION

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Director and Health Officer



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Environmental Health Director

TO: Regulated Community and Interested Partners
FROM: Jill Pahl, R.E.H.S., Director of Environmental Health

DATE: December 11, 2007
SUBJECT: Environmental Health Fees

The following action will be requested of the Board of Supervisors' for consideration at a meeting in February 2008:

- a. Conduct a public hearing to consider revising the permit, annual facility monitoring and inspection fees, as well as one-time construction plan check and inspection fees, in order to cover the cost of services provided by the Environmental Health Division of the Health and Human Services Department.
- b. Approve a resolution adopting fees for Land Development Services provided by the Placer County Environmental Health Division.
- c. Approve a resolution adopting fees for certain services provided by the Health and Human Services Department, Environmental Health Division.
- d. Introduction of an ordinance adopting an ordinance amending Chapter 2, Section 2.116.100 to remove references to current Environmental Health fees, which will be set by resolution.

SUMMARY:

This proposed fee revision is one of the initiatives the department has undertaken this year to implement the Board's direction for Health and Human Services to pursue opportunities to reduce our dependence upon County General Funds and maintain service levels and operations. If approved, this budget is estimated to approach 100% user fee support. Certain fees are set and collected by the Community Development Resource Agency for all of the land development Departments and distributed according to a formula based on a previous hourly rate and level of service. These fees will continue to be subsidized by General Fund until they are updated to the current hourly rate and current time analysis review.

The Environmental Health Division provides essential services; protecting the public health of the County's residents and visitors, and assuring the maintenance of the quality of the County's environment. The first resolution provides for a revision in annual fees for approximately 3250 facilities which are mandated to receive regular monitoring and inspections (such as restaurants, public pools, small water systems, solid waste facilities, and hazardous materials facilities); these operating fees would be effective July 1, 2008. The Division is currently issuing six-

month permits with expiration dates of June 30, 2008 at the current fee amounts. For the period of July 1 to December 31 2008, additional six month permits will be issued that phase in the full cost of service. The January 1, 2009 permits will incorporate the full cost of service.

The second resolution provides for a revision for construction-related, one-time fees for plan check and inspection services (wells, septic and permitted facilities); these fees would be effective on the 61st day after Board approval of the resolution. Previously, fees had been set by ordinance; the listing of fees in the existing ordinance is being amended and future fees are to be set by resolution.

Over the last 15 years Environmental Health fee increases have been based only on the Consumer Price Index (CPI) escalator. Recent CPI fee increases (3.9%, 4.2% and 3.4% respectively for the last three years) have not kept pace with the County's growth and service delivery cost of the Division. State regulations have mandated additional services that require new fees and/or increased levels of service. As a result, Placer County General Fund has increasingly subsidized Environmental Health with contributions of approximately \$1-2.3 million per year since FY 2003/04.

The Division is committed to using all tools available to provide the best services to our customers in an efficient and timely manner. Our inspectors are using tablet computers in the field. After the initial start up, this has allowed for quicker customer service by having the appropriate information immediately available for businesses, as well as increased compliance by providing immediate corrections to violations.

The Division standardizes staff to assure uniform and efficient services are provided. Standardization has occurred internally and externally with other counties. The Division is also implementing the Federal FDA Voluntary Retail Food Program Standards. These checks and balances assure that staff is conforming to industry standards for program implementation. This also validates the reliability of the full time accounting data that the Division uses to develop fees.

The Division is developing further efficiencies to assure staff is providing high quality services at appropriate levels of effort. For example, the Division is continuing to improve our website to provide user friendly information that the public can access directly. We are participating in the land development Departments Imaging and Document Management project which will ultimately save staff time by having information available at their computer, and have the opportunity for improved public access to land development files.

Environmental Health charges fees for their services. The current fee structure provides 65% of the Division's funding with 35% (\$1,975,283) subsidized through the County General Fund. In order to offset these General Fund contributions and reinstate critical extra help and overtime funding that were held in abeyance from the Division's proposed budget, the total cost recovery will need to increase by 40% (\$2.3 million).

A comprehensive fee study was prepared to evaluate the true cost of services and will provide a basis for future reviews to assure the fees are appropriate for the services provided. The Division mailed all of its regulated facilities and other interested parties concerning the fee revisions and provided four public meetings to gain input. A total of 9 parties attended the meetings, expressing an understanding of the need to increase fees, while asking for a slower phasing in of the fees and improvements to program implementation that would benefit those facilities that show a continuum of compliance.

FEE STUDY:

The Fee Study includes an in depth presentation of the fee development. The methodology used was similar to a model developed by Sacramento County Environmental Management. That methodology was adapted to fit the operations and services provided by Placer County Environmental Health. Direct and indirect staff was evaluated to determine direct, billable staff hours for use in determining the hourly rate. Average billable hours were calculated as 1319 and the average hourly rate is \$149.

The Division's database maintains full time accounting for all staff, both direct and indirect. The historical time expended for each detailed program areas was used to evaluate the cost of service. This time was used with the billable hourly rate to determine the full cost of service of each fee area.

A few fee categories are being revised and some new ones added due to changes in the State retail food code definitions of food facilities. Two other new fees are proposed. One is to provide new stormwater inspections at food facilities in order to comply with the County's stormwater permit. The fee is proposed at \$112 annually. The other is to cover costs for the ongoing, biannual alternative sewage disposal system monitoring at \$74 annually. The Division currently has 79 systems in this program and the number is growing every year. The systems are required to provide monitoring data, which requires staff time to oversee its collection and review. Owners have signed an operating agreement that acknowledges the potential for charging this fee for service.

The following is a comparison of current and proposed Placer County fees and fees for two other jurisdictions along with their General Fund contributions:

		Placer- Current	Placer- Proposed (1-1-09)	Sacramento	Solano
Percent General Fund		35%	0%	0%	20%
Food Facility	Small	\$429.00	\$ 744.00	\$751.00	\$282.00
	Medium	\$557.00	\$ 922.00	\$850.00	\$666.00
	Large	\$580.00	\$1,071.00	\$1,236.00	\$1,316.00
Pool-Seasonal		\$366.00	\$283.00	\$339.00	\$239.00
Hazardous Materials w/out Waste	Small	\$499.00	\$335.00	\$462.00	\$295.00
	Large	\$632.00	\$1,004.00	\$1,190.00	\$1,571.00
Well Installation		\$413.00	\$669.00	\$711.00	\$546.00
Standard Septic Installation		\$252.00	\$372.00	\$800.00	\$1,202.00

FISCAL IMPACT:

\$2.3 million of County General Fund is projected for the Environmental Health Division in the current Fiscal Year. The Division provides services to businesses and the public. In order to cover the true cost of provision of these services, significant revisions to the fees currently charged are needed.